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Suzanne Henderson



HARDING COMPANY 13465 Midway Road, Suite 400 Dallas, Texas 75244

Submitter: HARDING COMPANY

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

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ELECTRONICALLY RECORDED BY SIMPLIFILE

Robles, Noe et ux Valerie

By: ______

CHK 00123

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BEGAUSE OF GOLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

MOD PRODUCERS	88 URB/R	EV, PAID	UP LEASE
NO SURFACE USE	WITH PO	OLING PR	ROVISION

Tract No.	

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

 Lessor in consideration of Ten and no/100 fthe agreements of Lessee herein contained hereby, gramining for and producing oil, gas, sulfur, fissionable m geophysical tests and surveys, injecting gas, water and cosalt water, dredging and maintaining canals, building rowned or claimed by Lessor adjacent and contiguous the following described land in Tarrant County, Texas, (here 	aterials and all other minerals (whether or not simila ther fluids and air into subsurface strata, laying pipeli oads, bridges, tanks, telephone lines, power stations tereto necessary to Lessee in operations to produce, s	arpose of investigating, exploring, prospecting, drill to those mentioned), conducting exploration, geolo- nes, establishing and utilizing facilities for the dispos- and other structures thereon, and on, over and acros- ave, take care of, treat, transport and own said miner	ing and agic and sition of as lands
	See attached Exhibit "A" for Land Description	ı	
This Lease also covers and includes all land whether the same be in said survey or surveys or in adjace purpose of providing a more specific description of the inserting, as appropriate, the applicable Acreage, Survey	Lease Premises. Furthermore, Lessor authorizes L	Lease(s) or correction to Lease(s) tendered by Lessee essee to complete the description of the Lease Prem	e for the
or cessation at any time of production of oil, gas or oth herein contained to the contrary, this Lease shall be for mineral is produced from said Land or land pooled then	a term of Three (3) years from the date hereof (called ewith hereunder, or as long as this Lease is continued	oyalties herein provided, and notwithstanding anythi 1 "Primary Term") and as long thereafter as oil, gas of in effect, as otherwise provided herein	ing else or other
Lessor into the pipeline to which the wells may be comprevailing for the field where produced on the date of proil computed at the well; (b) on gas, including casingh extraction of gasoline or other product therefrom, the mishall not exceed the amount received by Lessee for such realized by Lessee from such sale; and (c) on fissionab Lessee's election, except that on sulfur mined or market royalty is payable hereunder is regulated by any government and the shall not be in excess of the price which Less from Lessor's wells or tanks, and of oil, gas and coal proposed therewith, which well is capable of producing on this Lease shall not terminate, whether it be during or any produced from the Lease Premises covered by this Lease time of such payment would be entitled to receive royality.	archase, and Lessee may sell any royalty oil in its postered gas or other gaseous substance, produced from the market value at the well of 25.00% of the gas so sold on the gas computed at the mouth of the well, and on gaste materials and all other minerals mined and market ted, the royalty shall be Two Dollars (\$2.00) per lone mental agency, the market value or market price of surface may receive and retain. Lessee shall have free from the Lease Premises in all operations while oil, gas and coal shall be computed after deducting a till or gas but such well is not being produced and this fiter the Primary Term, (unless released by Lessee) and the whole the produced and this the primary Term, (unless released by Lessee) and the whole the produced and this the primary Term, (unless released by Lessee) and the whole the primary Term, (unless released by Lessee) and the produced and this the primary Term, (unless released by Lessee) and the producing and th	yalty oil in its possession, paying the market price the session and pay Lessor the price received by Lessee in the Land and sold or used off the Lease Premises or used, provided that on gas sold by Lessee the market sold at the well the royalty shall be 25.00% of the led, one-tenth either in kind or value at the well or ted, one-tenth either in kind or value at the well or go ton. If the price of any mineral or substance upon in royalty or other payment the use of water, other that ch Lessee may conduct hereunder, including water in my so used. If Lessee drills a well on said Land or Lease is not being maintained otherwise as provided it shall nevertheless be considered that oil and gas is attempt to pay of tender) as royalty to the parties who	for such for the et value amount mine, at n which royalty in water njection on land I herein, is being no at the
Bank at	epository for all such sums which Lessee may pay he month, or portion thereafter during which said well is a six not released by Lessee as to the land on which or the first day of each calendar month after expiration on or before the first day of each third calendar monove, then mailed on or before the due date of payme to Lessee by Lessor. Lessee's failure to properly one to terminate this lease. Notwithstanding anything to	reunder regardless of changes in ownership or royalt situated on the Lease Premises, or on land pooled the le horizon, zone or formation in which the well is con in of ninety (90) days from the date the lease is not off with for all accruals to each such date to Lessor's denote to the parties entitled thereto at Lessor's address so the time to tender the tender any such sum as royalty shall to the contrary. Lessee may from time to time withhim the contrary.	ties) the erewith, inpleted. herwise signated eet forth I render told and
4. The cash down payment is consideration for time to time, execute and deliver to Lessor, or to the depor subsurface interval or any depths thereunder and the released as to all minerals, horizons, zones and formatio shall thereupon be reduced in the proportion that the ac	ereby be relieved of all obligations as to the released as under a portion of the Lease Premises, the shut-in re	this Lease as to any part or all of said Land or of any that did not lead, mineral, horizon, zone or formation. If this I by alty and other payments computed in accordance the	mineral Lease is
or any portion thereof, as to oil, gas and other minerals, vicinity thereof, when in Lessee's judgment it is necessary with the spacing rules of the Railroad Commission of Togas or other mineral in and under and that may be protelerance of 10% thereof; and units pooled for gas here governmental authority having jurisdiction prescribe or with those prescribed or permitted by governmental regament of acreage allowed for obtaining a permit to drip plus the additional acreage listed in the tables in the Robtaining a full production allowable under the application or or more strata and as to gas in any one or more stratation or strata, and oil units need not conform as to a portions thereof into other units. Lessee shall file for redesignating the pooled acreage as a pooled unit; the unbecome effective upon the date it is filed for record. Eather unit is likewise effective as to all other owners of such potion as to oil, gas and other minerals before or after co and the pooled unit may include, but is not required to in has theretofore been completed or upon which operated drilling on, or production of oil, gas or other mineral if operations for drilling were commenced or such productions for drilling were commenced or such productions for drilling were commenced or such productions for drilling were constituting such unit the payment of royalties on production from the pooled on the unit area, other than on the land covered hereby other mineral as the case may be), such well or mine she hereof. If an oil well on an oil unit, which includes all a portion of the Lease Premises, is reclassified as an oil applying the additional drilling and reworking provision which the well is located. For the purpose of computing production of oil, gas or other minerals from each pooled.	ary or advisable to do so in order properly to explore, exas, or other lawful authority, or when to do so would duced from the Lease Premises. Units pooled for oil and the shall not substantially exceed in area 160 acres permit the creation of units larger than those specific gulations. Notwithstanding anything to the contrary still a well under the spacing and density provisions in tailroad Commission of Texas Rule 86 (density great ble field or statewide rules for a vertical wellbore, places). Lessee may pool or combine the Lease Premita. Units formed by pooling as to any stratum or stratera with gas units. Pooling in one or more instances cord in the appropriate records of the county in which at shall become effective as provided in said instrumtion unit shall be effective as to all parties hereto, their rface, mineral, royalty or other rights in land included mmencing operations for or completing an oil or gas whell de, land or leases upon which a well or mine capalition may part of a pooled unit which include, all or a tion was secured before or after the execution of this foil, gas or other mineral from the Lease Premises whor units, as to oil, gas or other minerals, or any of them unit, as if the same were included in this Lease; provide and included in the unit, which well is not classified and included in the unit, which well is not classified and local aportion of the Lease Premises, is reclassified as all be considered a dry hole for purposes of applying the lor a portion of the Lease Premises, is reclassified as all leases any part of whon the royalties to which owners of royalties and payments of royalties to which owners of royalties and payments.	lease, and/or any other land, lease or leases in the import to develop and operate the Lease Premises in comily, in the judgment of Lessee, promote the conservation is shall not substantially exceed in area 40 acres each each plus a tolerance of 10% thereof, provided that id, units thereafter created may conform substantially tated herein, a unit for a horizontal well may include the applicable field or statewide rules for a vertical were than 40 acres), or (ii) the amount of acreage allow us the additional acreage listed in the tables in the Reses or any portion thereof, as above provided as to oil a need not conform in size or area with units as to are shall not exhaust the rights of Lessee to pool this Lease Premises is situated an instrument describents, or if said instrument makes no such provision, theirs, successors and assigns, irrespective of whether his such unit. Lessee may at its election exercise its well or wells or mine for other mineral on the Lease Proble of producing oil, gas or other mineral in paying quanineral have theretofore been commenced. Operate a portion of the Lease Premises, regardless of wheth Lease or the instrument designating the pooled unit, either or not the well or wells or mine be located on the portion of the Lease Premises, regardless of wheth Lease or the instrument designating the pooled unit, as herein provided, shall be treated for all purposes dethat if after creation of a pooled unit, a well or mine as the type of well for which the unit was created (oil the additional drilling and reworking provisions of Panages well, or if a gas well on a gas unit, which included dered as the date of cessation of production for purplish are included in the unit other than the leased prements out of production and each of them shall be entered included in said unit (or to each separate tract with and included in said unit (or to each separate tract with and included in said unit (or to each separate tract with and included in said unit (or to each separate tract with and included in	mediate in pliance in of oil, in plus a t should by in size to (i) the rellbore, wed for Railroad it in any ny other Lease or oing and it is hall be to for such shall be to Lease is, except the defilled by the possible on titled on ithin the
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unit if this Lease covers separate tracts within the unit) a pro rata portion of the oil, gas or other minerals produced from the unit after deducting that used for operations on the unit. Such allocation shall be on an acreage basis - that is, there shall be allocated to the acreage covered by this Lease and included in the pooled unit (or to each separate tract within the unit if this Lease covers separate tracts within the unit) that pro rata portion of the oil, gas or other minerals produced from the unit which the number of surface acres covered by this Lease (or in each separate tract) and included in the unit bears to the total number of surface acres included in the unit. As used in this paragraph, the words, "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the Lease Premises. Royalties hereunder shall be computed on the portion of such production, whether it be oil, gas or other minerals, so allocated to the Lease Premises and included in the unit just as though such production were from such land. Production from an oil well will be considered as production from the lease or oil pooled unit from which it is producing and not as production from a gas pooled unit and production from a gas well will be considered as production from the lease or gas pooled unit from which it is producing and not from an oil pooled unit. Any pooled unit designated by Lessee in accordance with the terms hereof may be dissolved by Lessee by instrument filed for record in the appropriate records of the county in which the Lease Premises is situated at any time after completion of a dry hole or cessation of production on said unit.

- 6. If at the expiration of the Primary Term, oil, gas, or other mineral is not being produced on the Lease Premises, or from land pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or shall have completed a dry hole thereon within 180 days prior to the end of the Primary Term, this Lease shall remain in force so long as operations on said well or for drilling or reworking of any additional well are prosecuted with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from the Lease Premises, or from land pooled therewith. If, after the expiration of the Primary Term of this Lease and after oil, gas or other mineral is produced from the Lease Premises, or from land pooled therewith, the production thereof should cease from any cause, this Lease shall not terminate if Lessee commences operations for drilling or reworking within 180 days after the cessation of such production, but shall remain in force and effect so long as Lessee continues drilling or reworking operations on said well or for drilling or reworking of any additional well with no cessation of more than 60 consecutive days, and if they result in the production of oil, gas, or other mineral, so long thereafter as oil, gas, or other mineral is produced from the Lease Premises, or from land pooled therewith. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land and within 660° feet of and draining the Lease Premises, or land pooled therewith, Lessee agrees to drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances.
- 7. Lessee shall have the right at any time during or after the expiration of this Lease to remove all property and fixtures placed by Lessee on the Lease Premises, including the right to draw and remove all casing. When necessary for utilization of the surface for some intended use by Lessor and upon request of Lessor or when deemed necessary by Lessee for protection of the pipeline, Lessee will bury pipelines below ordinary plow depth, and no well shall be drilled within two hundred (200°) feet of any residence or barn now on the Lease Premises without Lessor's consent.
- 8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns: but no change or division in ownership of the land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production; and no change or division in such ownership shall be binding on Lessee until forty-five (45) days after Lessee shall have been furnished by registered U.S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereof in whole or in part, liability for breach of any obligation hereunder shall rest exclusively upon the owner of this Lease or of a portion thereof who commits such breach. If six or more parties become entitled to royalty hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.
- 9. Breach by Lessee of any obligation hereunder shall not work a forfeiture or termination of this Lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this Lease. Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty (60) days after receipt of such notice in which to commence compliance with the obligations imposed by virtue of this Lease.
- 10. Lessor hereby warrants and agrees to defend the title to the Lease Premises and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon the Lease Premises, either in whole or in part, and if Lessee does so, it shall be subrogated to such lien with right to enforce same and apply royalties accruing hereunder toward satisfying same. When required by state, federal or other law, Lessee may withhold taxes with respect to royalty and other payments hereunder and remit the amounts withheld to the applicable taxing authority for the credit of Lessor. Without impairment of Lessee's rights under the warranty in event of failure of title, if Lessor owns an interest in the oil, gas or other minerals on, in or under the Lease Premises less than the entire fee simple estate, whether or not this Lease purports to cover the whole or a fractional interest, the royalties, bonus and shut-in royalties to be paid Lessor shall be reduced in the proportion that Lessor's interest bears to the whole and undivided fee and in accordance with the nature of the estate of which Lessor is seized. Should any one or more of the parties named above as Lessor fail to execute this Lease, it shall nevertheless be binding upon the party or parties executing same. If title investigation for Lessee results in a reduction or increase of bonus consideration payable to Lessor, the resulting bonus payment shall be deemed for all purposes to be paid to Lessor on the date when Lessee's check (in substitution for any pre-delivered draft) is delivered to Lessor prior to its due date or, prior to its due date is mailed to Lessor at the last known address provided by Lessor.
- 11. Should Lessee be prevented from complying with any express or imptied covenant of this Lease, from conducting drilling or reworking operations thereon or on land pooled therewith or from producing oil, gas or other mineral therefrom or from land pooled therewith by reason of scarcity or of inability to obtain or to use equipment or material, or by operation of force majeure, any federal or state law or any order, rule or regulation of governmental authority, then while so prevented Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this Lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil, gas or other minerals from the Lease Premises or land pooled therewith, and the time while Lessee is so prevented shall not be counted against Lessee, anything in this Lease to the contrary notwithstanding.
- 12. Surface Use Restriction: Notwithstanding anything to the contrary contained herein, Lessee agrees that it shall have no right to use the surface of the Lease Premises to exercise any of the rights granted hereunder without first obtaining Lessor's written consent. This provision shall in no way restrict Lessee's exploration of or production from the Lease Premises by means of wells drilled on other lands but entering or bottomed on the Lease Premises. Any wells directionally or horizontally drilled or operated under the Lease Premises with bottomhole locations (for vertical wells) or with horizontal drainhole locations (for horizontal wells) on the Lease Premises shall be regarded as if the wells were drilled on the Lease Premises. Lessee agrees that any drilling under the Lease Premises shall commence at and continue at depths below five hundred feet (500') from the surface of the earth. In addition to Lessee's other rights under this Lease, Lessor hereby grants to Lessee a subsurface easement to drill and operate directional and/or horizontal wells under and through the Lease Premises to reach lands not covered by this Lease and which wells have bottom hole locations (if a vertical well) or horizontal drainhole locations (if a horizontal well) on lands not covered by this Lease or land pooled therewith. Lessee agrees that this subsurface easement shall commence at and continue at all depths below five hundred feet (500') from the surface of the earth.
- 13. Except as expressly provided above in Paragraph 3, Lessor's royalty may not be charged directly, or indirectly, with any of the expenses of production, gathering, dehydration, compression, processing, or treating the gas produced from the land that are incurred prior to the inlet of a gas pipeline evacuating gas from the Lease Premises. After delivery at said inlet, Lessor's royalty shall bear its proportionate share of all costs and expenses, including transportation, to the point of sale.
 - 14. Each singular pronoun herein shall include the plural whenever applicable.
- 15. For convenience, this instrument may be executed in multiple counterparts and Lessor and Lessee agree that for recording purposes their respective signature page and acknowledgments may be removed from their respective counterpart and attached to a single Oil, Gas and Mineral Lease and for all purposes and obligations hereunder this shall be considered as one single Oil, Gas and Mineral Lease.
- 16. Lessor shall, upon the request of Lessee, use its best efforts in assisting Lessee in obtaining a subordination of Deed of Trust or similar security instrument that may affect the Lesse Premises. Additionally, in the event Lessor receives a notice of default, acceleration of loan, or notice of sale under a Deed of Trust or other security instrument affecting the Lesse Premises, Lessor shall immediately provide copies of any such notice, and all additional relevant facts, to Lessee. In this regard, Lessor shall comply with all reasonable requests of Lessee.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

By: New Secretary By: Will Manual Capacities for the above described Land)

Printed Name: NOEDROBLES

Printed Name: LESOR

Title: LESOR

By: Will Manual Capacities for the above described Land)

Printed Name: LOPY Company of the above described Land)

Title: LESOR

Title: LESOR

Initial NA. IR

Individual Acknowledgment

STATE OF TEXAS §	
COUNTY OF TARRANT §	A = A = A = A
executed the same for purposes and considerate	subscribed to the foregoing instrument, and acknowledged to me that he/she tions therein expressed, and in the capacity therein stated.
GIVEN UNDER MY HAND AND SI	EAL OF OFFICE, this the <u>15</u> day of <u>October</u> , 2008.
PAUL D. YOUNG Notary Public STATE OF TEXAS My Comm. Exp. Oct. 30, 2011 SEAL:	Notary Public in and for the State of Texas. Signature of Notary: (Print Name of Notary Here) My Commission Expires: 10/30/201/
	Individual Acknowledgment
STATE OF TEXAS § COUNTY OF TAITANT §	
BEFORE ME, on this day personally	appeared <u>Jalerie</u> <u>T. Roble 5</u> subscribed to the foregoing instrument, and acknowledged to me that he/sho
executed the same for purposes and considerate	tions therein expressed, and in the capacity therein stated. EAL OF OFFICE, this the
PAUL D. YOUNG Notary Public STATE OF TEXAS By Comm. Exp. Oct. 30, 2011 SEAL:	Notary Public in and for the State of Texas. Signature of Notary: (Print Name of Notary Here) My Commission Expires: 10/30/201/
	Corporate Acknowledgment
STATE OF TEXAS § COUNTY OF §	
The foregoing instrument was acknow	vledged before me, on this day of
, 2008, by(N	
(Name of corporation)	, a corporation, corporation,
on behalf of said corporation.	
GIVEN UNDER MY HAND AND SI	EAL OF OFFICE, this the day and year last above written.
	Notary Public in and for the State of Texas.
	Signature of Notary:
SEAL:	(Print Name of Notary Here) My Commission Expires:

Initial_N^R · M

Exhibit "A" Land Description

Lessor authorizes Lessee to insert the Acreage, Survey, Abstract, City and Plat information below, if it is not already included. From time to time Lessee may determine that some part or all of the Lease Premises should be more specifically described, in which case Lessor agrees to execute any substitute Lease(s) or correction to Lease(s) tendered by Lessee for such re-description.

0.174 acre(s) of land, more or less, situated in the J. Gregory Survey, Abstract No. 630, and being Lot 13 & 12B, Block 5, Sunnybrook Addition, an Addition to the City of Watauga, Tarrant County, Texas according to the Plat thereof recorded in Volume/Cabinet 388-116, Page/Slide 76 of the Plat Records of Tarrant County, Texas, and being further described in that certain Warranty Deed with vendor's lien recorded on 12/01/1994 as Instrument No. D194257006 of the Official Records of Tarrant County, Texas.

After Recording Return to: HARDING COMPANY 13465 MIDWAY ROAD, STE. 400 DALLAS, TEXAS 75244 PHONE (214) 361-4292 FAX (214) 750-7351

Initial N-R. UR